

Procurement of Default Service Supply for Residential and Small  
Commercial and Industrial Customers

Comments of UPC Wind Management, LLC.

**January 24, 2005**

UPC Wind Management, LLC, a Delaware limited liability company based in Newton, MA (“UPC”) is please to submit comments to the Department of Telecommunications and Energy (“DTE”) regarding the procurement of default service power in Massachusetts. UPC’s affiliate, Evergreen Wind Power, LLC (“Evergreen”), is developing the 42 MW Mars Hill project, the only fully permitted utility scale wind energy project in New England.

I. Introduction

UPC strongly encourages the DTE to adopt default service procurement policies that facilitate the development of new renewable resources. Several wind energy projects are currently actively under development at appropriately sited locations across the Northeast. The inability to secure long-term (12-15 year) financeable power and REC contracts poses the single largest challenge in realizing these projects. This result is paradoxical because the cost of wind energy, which functions independently of fossil fuel based generation, offers a natural hedge to rising oil and gas prices.

II. Default Service Power Supply Procurement Options

UPC believes that DTE should modify its default service procurement policies to incorporate the following best practices:

- A portion of the default service should include long-term contracts (12-15 years) from new renewable energy sources. UPC recommends that the long term procurement requirement be set at 20-30%.
  
- The long-term segment should meet the Massachusetts renewable portfolio standard requirement.
  
- Solicitations should be increased in number so as to ensure sufficient opportunities for competition from new renewable energy sources.

### III. Communications

All communications, correspondence and documents related to this proceeding should be directed to the following individuals:

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